

CITY OF CORVALLIS SERVICES CONTRACT

This contract is entered into between the City of Corvallis, a municipal corporation of the State of Oregon, hereafter called "City" and ECONorthwest, an Oregon C Corporation, hereafter called "Contractor."

All notifications necessary under this contract shall be addressed to:

City of Corvallis
Attention: Ken Gibb, CD Director
PO Box 1083
Corvallis, OR 97339-1083
Telephone: 541-766-6571
e-mail: ken.gibb@corvallisoregon.gov

Contractor name
Attention: Bob Parker
222 SW Columbia, Suite 1600
Portland, OR 97201
Telephone: 541-554-1509
e-mail: parker@econw.com

1 TERM

- 1.1 This contract shall be effective from the date of the last party to sign through September 30, 2014.
- 1.2 This contract may be extended, by mutual agreement, for one additional year. Notification of intent to extend the contract will be submitted in writing by certified mail, return receipt requested no less than 60 days prior to the end of the contract. If this contract is extended, the extension shall include an explicit description of the scope of work to be completed under said extension.
- 1.3 If this contract crosses fiscal years, funding for future years is contingent upon the City Council adopting appropriations.

2 SCOPE OF SERVICE

2.1 The general scope of service is intended to begin creating knowledge and understanding that will help the Corvallis City Council better understand key housing issues, and craft appropriate policies to address those issues. It is based on information included on pages 1 through 5 of the attached draft scope of work provided by Contractor on March 26, 2014, which by this reference is made a part hereof.

2.2 The specific scope of service under this contract will be to conduct a survey of commuters who are employed at businesses in Corvallis but live outside the City, and to provide the City Council with information based on analysis of that survey to help gain an understanding of the housing preferences and characteristics of people within this commuter group. The scope will be broken into five tasks. Work to complete of each task will include iterative discussions between the City and Contractor to clarify methods, tools and desired outcomes. The five tasks will include:

- Task 1 Identify survey recipients and method of survey administration.
- Task 2 Survey development and pre-test
- Task 3 Survey administration
- Task 4 Analyze results
- Task 5 Present the results to decision makers

3 COMPENSATION

3.1 In consideration of Contractor's performance, City agrees to pay Contractor a fee not to exceed \$25,000, to be billed on a time and expenses basis. Billing rates for Contractor employees providing services under this contract will be:

Director/Project Director	\$150/hour
Senior Planner/Project Manager	\$120/hour
Research Analyst:	\$65 to \$85/hour

3.2 Payment will be made based on monthly progress invoices, to be received from Contractor by the 10th of each month during the term of this contract.

4 CITY RESPONSIBILITIES

4.1 City agrees to pay Contractor within 30 days of receiving an invoice for services performed. City will report all payments made to Contractor required by the Federal Internal Revenue Service and the State of Oregon Department of Revenue.

5 STATUS

5.1 Contractor is retained as an independent contractor and will be responsible for any state or federal taxes resulting from this contract. Contractor is not an "employee" for purposes of OAR 459-10-030(6). Contractor will not be under direct control of City in performing this contract.

5.2 Contractor will not be eligible for any federal Social Security, State Workers' Compensation, unemployment insurance, or PERS benefits from this contract, except as a self-employed individual.

6 CONTRACTOR RESPONSIBILITIES

6.1 Contractor will make prompt payment to all persons supplying them with labor or materials for the performance of work under this contract. If Contractor fails to make prompt payment of any claim for labor or services furnished in connection with this contract, City may pay the claim and charge the amount against funds due or which may become due to Contractor.

6.2 Contractor will pay all contributions or amounts due the Industrial Accident Fund for themselves or any sub-contractor resulting from this contract.

6.3 Contractor will not permit any lien or claim to be filed against City on account of any labor or material furnished.

6.4 Contractor will pay the Department of Revenue all sums withheld from employees pursuant to ORS 316.167.

6.5 Contractor shall pay employees for overtime work performed under the public contract in accordance with ORS 279B.020, ORS 653.010 to 653.261 and the Fair Labor Standards Act of 1938 (29U.S.C. 201 *et seq.*). A person performing work under this agreement may not be employed for more than 10 hours in any one day, or 40 hours in any one week, except in cases of necessity, emergency or when the public policy absolutely requires it, and in such cases, except in cases of contracts for personal services designated under ORS 279A.055, the employee shall be paid at least time and a half pay as set out in ORS 279B.235.

- 6.6 Contractor shall promptly, as due, make payment to any person, co-partnership, association, or corporation furnishing medical, surgical and hospital care or other needed care and attention, incident to sickness or injury, to the employees of Contractor, or all sums which Contractor agrees to pay for such services and all moneys and sums which Contractor collected or deducted from the wages of employees pursuant to any law, contract or agreement for the purpose of providing or paying for such service.
- 6.7 Contractor agrees to comply with all applicable local, state, and federal laws, rules, and regulations in the performance of this contract, and to pay all fees required by local, state, or federal bodies in the performance of this contract.
- 6.8 Contractor agrees to comply with Corvallis Municipal Code chapter 1.25 establishing and implementing the Living Wage. City may terminate this contract at any time if Contractor is found to be in violation of the Living Wage Ordinance and does not correct the violation consistent with section 1.25.090 of the Corvallis Municipal Code.
- 6.9 Contractor agrees to keep payroll records for employees working on City's contract and to provide those records to City if requested in accordance with section 1.25.070 of the Corvallis Municipal Code. Contractor agrees to post the information provided by City about the Living Wage in a location where employees are likely to see the information. Contractor also agrees to give each employee working on City business information provided by City about the Living Wage. Contractor will notify City if he/she needs the information provided in a language other than English.

7 LIABILITY

7.1 Contractor shall indemnify, protect, defend, and hold City, its officers, agents, volunteers, and employees harmless against any actions, claim for injury or damage and all loss, liability, cost or expense, including court costs and attorneys fees, arising out of or resulting directly or indirectly from the performance of this contract, except, to the extent not prohibited by ORS 30.140, for that resulting from the sole negligence of the City. Nothing in this agreement should be interpreted as imposing any liability on the City beyond the limits of the Oregon Tort Claims Act.

7.2 Contractor shall provide insurance as indicated. All policies must be of the occurrence form with combined single limit for bodily injury and property damage. The issuing insurance companies must have a minimum current A.M. Best rating of A- VII or approved by the City. Any deviation from this requirement must be reviewed and approved by the City Risk Manager. Limits may be provided by Excess or Umbrella policy.

The types of insurance Contractor is required to obtain or maintain for the full period of the contract will be:

7.2.1 Workers' compensation insurance in compliance with ORS 656.017, which requires subject employers to provide Oregon workers' compensation coverage for all their subject workers. Any subcontractor hired by Contractor shall also carry Workers' Compensation and Employer's Liability coverage. The insurer shall agree to waive by endorsement, all rights of subrogation against the City, its officers, employees, and agents for losses arising from work performed by the Contractor for the City.

7.2.2 Commercial General Liability insurance, Occurrence Form, including personal injury, bodily injury and property damage with limits as specified below. Limits may be provided by Excess or Umbrella policy:

\$2,000,000 Per Occurrence / \$2,000,000 General Aggregate / \$2,000,000 Products and Completed Operations Aggregate.

Aggregates shall apply per Project. It shall include contractual liability coverage for the indemnity provided under this contract, and shall be in a form at least as broad as ISO Commercial General Liability form CG 0001. With CG 25 03 (Amendment Aggregate Limits of Insurance per Project) or equivalent attached.

7.2.3 Business Automobile Liability insurance with a combined single limit, or the equivalent, of not less than \$1,000,000 per Accident

- 7.3 Contractor shall not cause or allow any insurance policy required above to be suspended, voided, canceled, reduced in coverage or in material limits except as agreed by City. Contractor agrees to have and maintain the policies, endorsements, certificates, and/or binders required under this contract. A lapse in any required insurance coverage during this contract shall be a breach of this contract.
- 7.4 Should any of the above described policies be subject to cancellation or termination prior to the expiration date of this contract, Contractor shall notify the City in writing by certified mail, return receipt requested, 30 days prior to the cancellation or termination date of such policy.
- 7.5 Contractor shall furnish acceptable insurance certificates to City with original endorsements for each insurance policy signed by a person authorized by that insurer to bind coverage on its behalf. Certificates will be received and approved by City prior to its issuance of a Notice to Proceed. If additional insured status (or subrogation waiver) is requested, each line of insurance shall be marked in the appropriate box on the insurance certificate to indicate the policy endorsement ensuring the City of Corvallis is an Additional Insured (and/or Subrogation is Waived) subject to the terms and conditions and/or respective to the work under this contract. Insuring companies or entities are subject to City acceptance. Contractor shall be financially responsible for all pertinent deductibles, self-insured retention and/or self-insurance. All such deductibles, retention, or self-insurance must be declared to, and approved by, City.

8 GENERAL PROVISIONS

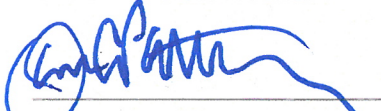
- 8.1 ASSIGNABILITY: This contract is for the exclusive benefits of Contractor and City. Any attempt to assign, transfer, or pledge by either party without the prior written consent of the remaining party is void and unenforceable against the nonconsenting party.
- 8.2 TERMINATION: City may terminate this contract in the event Contractor fails to comply with any of the terms or conditions set forth herein or if City determines Contractor is in any way unfit, unqualified, or unable to perform all of the services outlined in this contract. City will provide 30 days prior written notice by certified mail, return receipt requested of its intent to terminate.
- 8.3 DISCRIMINATION: The parties agree not to discriminate on the basis of age, citizenship status, color, familial status, gender identity or expression, marital status, mental disability, national origin, physical disability, race, religion, religious observance, sex, sexual orientation, and source or level of income in the performance of this contract.

- 8.4 PERSONAL IDENTIFYING INFORMATION: Contractor agrees to safeguard personal identifying information in compliance with Oregon Revised Statute ORS 646A.600, the Oregon Consumer Identity Theft Protection Act and the Fair and Accurate Credit Transaction Act provisions of the Federal Fair Credit Reporting Act
- 8.5 WAIVER: Waiver of any breach of any provision of this contract by either party shall not operate as a waiver of any subsequent breach of the same or any other provision of this contract.
- 8.6 ATTORNEY'S FEES: In the event either party shall initiate any suit, action or appeal on any matter related to this contract, then the court before whom such suit, action or appeal is taken shall award to the prevailing party such attorney's fees as the Court shall deem reasonable, considering the complexity, effort and result against the party who shall not prevail, and such award and all allowable costs of the event may be either added to or deducted from the balance due under this contract, or be a separate obligation as appropriate.
- 8.7 PREVAILING LAW: This contract is to be governed by, and construed in accordance with, the laws of the State of Oregon.
- 8.8 VENUE: Any disputes about the terms of this contract will be brought before the Benton County Circuit Court.
- 8.9 EXTENT OF CONTRACT: This contract supersedes any prior or contemporaneous oral or written agreements or understandings entered into by the parties.

IN WITNESS WHEREOF, the parties have herewith executed their signatures.

CITY OF CORVALLIS

ECONORTHWEST


James A. Patterson, City Manager

Date

4/10/14

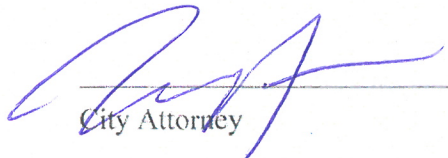


Date

4/8/14

Lorelei Juntunen, Managing
Director
Printed name and Title

Approved as to Form:


City Attorney

Date

4/9/14

DATE: March 26, 2014
TO: Corvallis Housing Study Advisory Committee
CC: Kent Weiss and Ken Gibb
FROM: Bob Parker and Beth Goodman
SUBJECT: CORVALLIS HOUSING STUDY: DRAFT SCOPE OF WORK

The City of Corvallis wants to understand the dynamics of the City's housing market in the context of the broader regional housing market. To meet that goal, decision makers need comprehensive and objective information about the factors that affect demand for housing in Corvallis and how the City's existing housing stock is meeting those demands.

The housing market assessment will provide the information to better describe key housing issues and to help decision makers crafting appropriate policies to address those issues. This memorandum provides ECONorthwest's scope of work for assisting Corvallis in developing new information that describes the unmet housing demand within Corvallis.

1. Phase 1: Survey of Commuters

Corvallis' unique situation affects the housing market. The city is a regional employment center, however more than half of those employed at businesses in Corvallis live outside the city. The survey will gather information to help decision makers understand the housing preferences and characteristics of people who work at businesses in Corvallis but live outside of Corvallis.

To the extent possible, ECONorthwest proposes to use the "Tailored Design Method for Mail and Internet Surveys" developed by Dr. Don Dillman at Washington State University. This method provides a comprehensive and structured approach to survey development and administration.

Task 1: Identify survey recipients and method of survey administration

The first task in the project is to identify who should receive the survey. A key challenge of this survey is that a comprehensive list of people that work in Corvallis, but live outside the City does not exist. Thus, the approach to the survey involves accessing the target population (commuters) through employers. Based on discussions in our discussion with the Advisory Committee on March 18th, we propose the following approach to administering the survey:

Method of survey administration

There are multiple ways to conduct a survey, such as by mail, on the Internet, by phone, or in-person. The lack of a sample frame (a comprehensive list of commuters with addresses or phone numbers) precludes a mail or telephone approach. Moreover, the likely complexity of the survey questions, the ease of distributing links, and the capabilities of contemporary on line survey vendors, suggests an on-line survey. The participating employers can email a link to the on-line survey.

How to get the survey to commuters

There is no existing list of individuals (in survey research terms, the sample frame) who commute to work at jobs in Corvallis but live outside of Corvallis. As a result, alternative approaches to identifying methods to access the target population and administer survey are necessary. The simplest approach is to obtain assistance from employers in Corvallis to administer the survey. We recommend two approaches to working with businesses to administer the survey:

- **Large employers.** We will work with large employers in Corvallis to gain their assistance with the survey of their employees. These employers include (but are not limited to): Oregon State University, Good Samaritan Hospital, Hewlett Packard, the Corvallis School District, the City of Corvallis, and Benton County.

We will need to work with each employer to determine what information they are willing to share and how they are willing to assist us in administering the survey (e.g., will they send out an email to employees about the survey). We will also need to identify any special issues that we need to consider (e.g., OSU contracts out custodial services and we may need to find a way to survey custodians separately from OSU's other staff).

- **Business associations.** Corvallis has three major business associations: the Corvallis Chamber of Commerce, the Corvallis Independent Business Association, and the Downtown Corvallis Association. We will work with these associations to gain their assistance with the survey of employees. Through this process, we will need to decide the best way to ask for business' assistance with the survey. One way may be to send the survey request to management or their designee (e.g., a human resource department) and ask them to send out a link to the survey in email.

Through this process, we will need to make sure that we do not survey employees at a business twice because the business is either one of the large employers or members of multiple business associations.

We propose an approach that will be representative of Corvallis employers by size and sector. To the extent possible, we will track employers that participate in the survey – which will allow us a better understanding of businesses that are represented in the survey responses. We may get higher participation by smaller businesses if the business associations are willing to ask (and encourage) businesses to send the survey to their employees.

How many people to survey

The theoretical best methodology of conducting a survey is to select a random sample of the population and get a response from each person surveyed. With a sufficiently large random sample, we would have statistically valid results necessary to generalize the results from the survey to the entire population of commuters in Corvallis.

Given the complexity of administering the survey, including the fact that there is no easy way to get the names and contact information for individual commuters, conducting a random

survey is not practically feasible. We recommend the next best thing: survey as many commuters as we can (with the assistance of businesses and business organizations described above) and try to get the highest response rate we can get. One approach is to offer an incentive for completing the survey, such as a raffle for a gift card to local businesses.

Who to survey

Employers do not generally keep track of whether employees commute into the city or live within the city's boundary. We recommend asking employers to send the survey to all employees. The survey can ask questions to determine whether the worker lives within Corvallis or outside of Corvallis. Based on where the worker lives, the survey can ask different questions of each group using logic or skip sequences. The result will be information about non-commuters, which can be used to compare commuters to non-commuters.

Task 2: Survey development and pre-test

The process of designing the mail survey is a crucial step. The questions must be properly worded and easily understood. It is also important not to inundate members with questionnaires that are too lengthy. By designing highly focused survey, the City can get statistically reliable results within the short time frame of this project. Working directly with the Advisory Committee and City staff is the only way to achieve this.

The survey should ask about the following topics:

- Home origins to determine whether the person is a commuter or lives within Corvallis
- Characteristics of their existing dwelling, such as type and size of dwelling, tenure (ownership), amenities, and housing costs
- Housing preferences, such as type and size of dwelling, tenure (ownership), location, housing amenities, and housing costs
- Locational preferences, such as access to outdoor recreation, access to urban amenities, proximity to family, need to live near another city or location
- Reasons for not living in Corvallis, such as housing costs, availability of the type of housing they prefer, preference for rural lifestyle, spouse working in a different location
- Demographic characteristics, such as age, sex, race and ethnicity, number of people in their household, and income

Commuters will be asked all of these questions. People who live in Corvallis will be asked about the characteristics of their existing dwelling and demographic characteristics.

We will work closely with the Council Committee to develop a general framework for the survey as well as for review and feedback on specific questions. We propose to field test the survey on 5-10 individuals in the target population. It is not necessary for these individuals to be randomly selected because the intent of the field test is to ensure that the survey is structured

in a simple, unambiguous fashion. We propose to work with City staff and the Council Committee to identify individuals to field test the survey.

Task 3: Survey administration

We will work with the organizations identified in Task 1 to administer the survey. We recommend using an online survey tool, such as surveymonkey.com, for administering the survey.

We will need to know information about each business participating in the survey: the name of the business, the business's industry, and the approximate number of employees. We can use Quarterly Census of Employees and Wages (QCEW) data to compare the characteristics (number of employees and sectors) participating in the to all covered employees in Corvallis.

Task 4: Analyze results

Using statistical software (most likely SPSS), we will analyze the survey results. This analysis will include basic descriptive statistics along with some more in-depth analysis that describes how the results vary for certain populations. For example, the analysis might explore whether commuters varied from non-commuters in the characteristics of current housing (e.g., tenure or affordability) or in their socioeconomic characteristics (e.g., income). We will not do inferential statistics, which are designed to determine causal relationships or correlations and are not appropriate because this is not a random sample survey.

If the Advisory Committee chooses to include open-ended questions, we will review open-ended responses and consider their implications for the findings in the quantitative data.

We will summarize the results of the survey in a report to the City Council.

Task 5. Present the results to decision makers

ECONorthwest staff will present the results of the survey to the City Council. We will discuss the implications of the survey findings for unmet housing needs in Corvallis.

Schedule and Budget

The draft survey report will be complete by June 30, 2014 and ECONorthwest staff will be available to present the results to the City Council early in July 2014. Based on this schedule, we will need to conduct outreach to large employers and business associations in April, firming up agreements to participate in the survey. At the same time, we will need to develop and revise the survey instrument. We will begin survey administration by the beginning of May and complete survey collection by the end of May.

Due to the many unknown variables in survey administration, and the level of effort required, we propose to complete the work program described on a time and expenses basis for a fee not to exceed \$25,000. ECONorthwest will closely monitor the budget and will provide the Council Committee and staff with monthly budget reports.

2. Phase 2: Continued Research

The work completed in Phase 2 of the project will build on the results of research in survey of commuters. It may include follow-up research to answer questions that arise from the survey of commuters, such as interviews or discussion groups. Phase 2 research may include developing an inventory of housing in Corvallis, as described in our proposal. The specific tasks, schedule, and budget will be developed through negotiation with and approval from the Advisory Committee.

Phase 2 will offer opportunities to answer some of the broader questions asked by decision makers in the request for proposals:

- How many real housing opportunities currently exist for the workforce?
- How much unfilled demand for housing is there within the Corvallis workforce?
- What are the causes of the imbalance between supply and demand?
- How much would fossil fuel consumption and air pollution be reduced (if the housing market is better balanced)?
- How much additional property tax revenue would be generated to pay for City services?
- How much more state funding to 509J would come due to increased K-12 enrollment?